

DOE has a statutory duty, pursuant to Section 3136 of the National Defense Authorization Act for Fiscal Year 2000 (Pub. L. 106-65) to avoid tax payments to Russia associated with the Initiative for Proliferation Prevention. This Flash authorizes changes to the intellectual property provisions necessary to retain tax free treatment for those subcontracts.

GUIDANCE: Where necessary to assure tax free treatment for the subject subcontracts, cognizant DOE contracting officers may allow the contracting national laboratory to make the following changes to the terms and conditions that were transmitted by AL 95-14.

- 1. Attachment 2, Clause III, Rights in Data-General:
 - A. Delete paragraph (a)(7) and redesignate paragraphs (a)(8) and (a)(9) as (a)(7) and (a)(8), respectively.
 - B. At paragraph (b)(1), replace the term "unlimited rights" with the phrase "paid up license rights to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so."
 - C. At paragraph (c)(3), replace the term "royalty-free" with the term "paid up."
- 2. Attachment 3, Clause III, Rights in Data-General:
 - A. Delete paragraph (a)(7) and redesignate paragraphs (a)(8) and (a)(9) as (a)(7) and (a)(8), respectively.
 - B. At paragraph (b)(1), replace the term "unlimited rights" with the phrase "paid up license rights to use, disclose, reproduce, prepare derivative works, distribute copies to the public, and perform publicly and display publicly, in any manner and for any purpose, and to have or permit others to do so."
 - C. At paragraph (c)(3), replace the term "royalty-free" with the term "paid up."

For questions related to this Flash, contact me at (202)586-8264 or via e-mail at Robert. Webb@hq.doe.gov

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